

COUNCIL COMMUNICATION

TO: THE CITY COUNCIL

COUNCIL MEETING DATE

NO.

FROM: THE CITY MANAGER'S OFFICE

August 16, 1989

SUBJECT: Senior Day Care Agreement with Lodi Memorial Hospital

RECOMMENDED ACTION: That the City Council approve the Senior Day Care Center Agreement with Lodi Memorial Hospital for the operation of a Senior Day Care program at Hutchins Street Square.

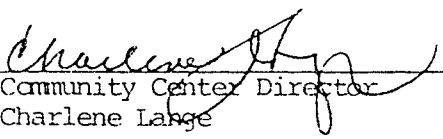
BACKGROUND INFORMATION: William Holz willed \$2.7 million to the City of Lodi to build a Senior Facility at Hutchins Street Square in 1987. The Old Lodi Union High School Site Foundation was instrumental in developing the plans and specifications to provide such a facility with the renovation of the old high school gymnasiums and swimming pool. The project is currently being built by F and H Construction and is expected to be complete in the winter of 1990.

One of the features of the Senior Complex is the Senior Day Care program. It was the desire of the Old Lodi Union High School Site Foundation and the Lodi Senior Citizens Commission to offer such a service to adults that need some type of care-supervision during the day and provide relief to the caregiver. The Foundation felt that this program would be best operated by a current health care provider that had local not-for-profit interests and offered the opportunity to Lodi Memorial Hospital.

The Foundation's representatives and members of the City staff have met with members of Lodi Memorial Hospital's Board of Directors for the past year to develop this agreement.

The City will provide the space to Lodi Memorial Hospital, which allows the Hospital to provide daily Monday through Friday services at a nominal fee. The City will provide the maintenance of the buildings and grounds, with Lodi Memorial Hospital responsible for the janitorial and cleaning services of the interior, all utilities and equipment.

The lease is \$1.00 per year. It is also agreed that if there is any overall profit, it will be paid and remitted to the Foundation for the continued maintenance and development of Hutchins Street Square.



Community Center Director
Charlene Lange

MEMORANDUM

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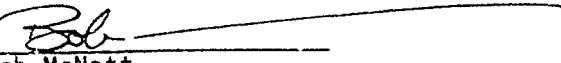
JUL 28 1989

CITY CLERK
JUL 28 1989

To: Charlene Lange, Community Center Director
From: City Attorney
Date: July 28, 1989
Subj: Senior Day Care Center Agreement

It appears that we are finished tinkering with the agreement between the City and Ladi Memorial Hospital for operation of the Senior Day Care Center at the Square, as directed by the Council at the March 21, 1989 shirtsleeves session. The matter must now go back to the Council for final approval. It is my understanding that you will prepare the Council communication for this item. By copy of this memo, I will request that the matter be placed on the August 16, 1989 Council agenda. I believe by that time we will have an executed copy from the Hospital.

Please let me know if there is anything else I can do.


Bob McNatt
City Attorney

BM:vc

cc: City Manager
City Clerk

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AGREEMENT

THIS AGREEMENT **is** entered into by and between the CITY OF LODI ("City") and LODI MEMORIAL HOSPITAL ("Hospital").

WITNESSETH:

WHEREAS, the City of Lodi, as the owner of the facilities at Hutchins Street Square and the beneficiary of a gift from the William Holz estate, is desirous of establishing a senior day care center at the Hutchins Street Square facility; and

WHEREAS, it **is** in the best interests of all parties to contract with an organization having expertise in the area of providing such services for seniors; and

WHEREAS, Lodi Memorial Hospital has such expertise and is desirous of operating such facility;

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

1. The purpose of this agreement is to provide a senior day care facility on a year-round basis at the Hutchins Street Square facility.

2. The City of Lodi agrees to and hereby leases to Lodi Memorial Hospital, the facilities and space described as:

The southern portion of the remodeled Senior Citizens' Complex at Hutchins Street Square, as more particularly shown on the floor plan attached hereto and made a part of this Agreement by reference.

for the sum of one dollar (\$1.00) per year, payable in advance on the anniversary date of this agreement.

3. The initial term of this agreement shall be for three (3) years from the date the building is complete, presently estimated to be March 1, 1990. This lease may be renewed by mutual consent for three (3) year increments by mutual notice given to the other party not later than one hundred and twenty (120) days prior to the expiration of the current term.
4. City shall provide all customary and usual maintenance of buildings and grounds. Lodi Memorial Hospital shall be responsible for all janitorial and cleaning services for the interior of the space described. Hospital shall install or cause to be installed in its own name, separate meters for gas and *electric utilities* for the space demised hereunder, and shall be responsible for payment of all such utilities, plus a prorata share of water and sewer charges at Hutchins Street Square.

5. Lodi Memorial Hospital shall provide all necessary and customary equipment, furniture, and staff to provide care for a maximum of thirty (30) persons. In addition, Lodi Memorial Hospital shall be responsible for publicity and marketing of the program, expending reasonable and good faith efforts to make the public aware of this program. All kitchen appliances, if any, shall be provided, owned, and maintained by Hospital, which shall furnish to the City a list of, and specifications for, all such appliances prior to installation.
6. Lodi Memorial Hospital agrees to operate a senior day care program during hours by mutual agreement, Monday through Friday, fifty two weeks of the year, save and except the usual and traditional holidays. Such services shall be available to all persons otherwise meeting the criteria for participation in such day care facilities, regardless of race, sex, national origin, or residency.
7. City shall be obligated only to provide the necessary space and maintenance for such day care center. All other expenses of operation of the day care program shall be the responsibility of Lodi Memorial Hospital. Hospital further agrees to operate such Senior Day Care Program on a not-for-profit basis. Charges or fees for such service shall be adjusted with the intent to make such charges or fees reflect the actual cost of operation and overhead of the facility. In determining or calculating profit or loss, Hospital shall be entitled to depreciate during the initial term of this lease, the costs for necessary equipment for the program provided by Hospital. Determination of profit or loss may utilize a carry forward/carry back

method of calculating profit or loss for each year of the current three (3) year term, and offset for each year in which a loss was incurred, against any year of the current term in which a profit resulted. Should an overall profit result as shown by independent audit based on the considerations found in this paragraph, then at the end of the 3-year term, it shall be paid and remitted to the Old Lodi Union High School Site Foundation, for the purpose of continued maintenance and development of the Hutchins Street Square facility.

8. City and Hospital hereby mutually agree to hold harmless and indemnify the other in proportion to and to the extent that claims or losses to one are attributable to the negligent acts or omissions of the other. Such hold harmless shall include indemnity for attorneys fees and costs incurred in defending such actions.

Executed this ____ day of _____, 19____ at Lodi, California.

CITY OF LODI, a municipal
corporation

LODI MEMORIAL HOSPITAL

THOMAS A. PETERSON
City Manager

By _____

ATTEST:

ALICE M. REIMCHE
City Clerk

Approved As To Form:

BOBBY W. McNATT
City Attorney

AGRSRDAY/TXTA.01V